the learned judge for not accepting STC's version was non-production of STC's witnessess;

(d) whether STC deputed two officers other than STC's witnesses to London and one of them took his wife on free ticket; and

(e) if so, the reasons why STC did not produce its witnesses and instead allowed free ticket to one of Director's wife?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) to (e) STC deputed its Director (Law) and General Manager (Law) to attend the Court proceedings at London in Dec.'96 and appear before the court as witnesses if so advised by the counsel in a case in which damages were claimed for import of sugar by M/s. Andre & Cie, S.A. Laussane. The two main witnesses of the Corpn. were listed as accused persons in a criminal case registered by CBI on 5th Jan.'96 and are under suspension. In view of the criminal case, there were difficulties in obtaining valid travel documents and credibility of such witnesses was highly doubtful. Written witness statements of these two witnesses and others were produced before the Court in addition to documents of the Corpn. The Court, however, ruled against STC. CBI after verification of the deal sought Government's concurrence for registration of a regular criminal case against STC officials. Necessary approval for registration of a regular case against Director (Finance) STC has been accorded on 11.3.1997 and he is also placed under suspension.

One of the officers who travelled to London for attending the above proceedings availed the facility of free companion ticket as per the scheme extended by the airlines.

KMML Employees Request to Enhance Import Duty on Titanium Dioxide

4018. SHRI BRATIN SENGUPTA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the employees of Kerala Minerals and Metals Ltd., Chavara Kollam, Kerala had been requesting Government to enhance the import duty on Titanium Dioxide Pigment to restrict import of Titanium Dioxide.

(b) whether it is also a fact that the above company is unable to compete with multinationals who are dumping similar products thereby causing severe problems to the local companies including KMML;

(c) what action has been taken by Government on the requests made by the employees in this regard; and

(d) if Government do not propose to accede to their requests, the reasons thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) to (d) Yes, Sir. A representation has been received from employees of Kerala Minerals and Metals Ltd., to increase import duty on Titanium Dioxide.

In the budget for 1997-98, even though duty on all other chemicals has been reduced from 40% to 30%, import duty on Titanium Dioxide has been retained at 40%. However, with a view to restrict the volume of Titanium Dioxide imported under Duty Exemption Scheme, Titanium Dioxide in all forms including pigments has been included in the list of sensitive items for imports.

No petition on the imposition of anti dumping duty on dumping of similar products by multi-nationals in India has been received.

Misuse of Advance Licences

4019. SHRI N. GIRI PRASAD:
SHRI GURUDAS DAS GUPTA:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government's attention has been drawn to the findings of the Comptroller and Auditor General of India (CAG) detecting large scale misuse

of advance licences costing exchequer Rs. 14,000 crore; and

(b) if so, the details of action taken against the defaulting licence holders?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) and (b) The Comptroller and Auditor General of India, in its Report for the year ended 31.3.95 (No. 4 of 1996) Union Government (Revenue Receipt-Indirect Taxes) relating the Advance Licensing Scheme, had inter-alia, mentioned that the amount of Customs duty foregone in respect of imports made against Quantity Based and Value Based Advance Licences during the financial years 1992-93, 1993-94 and 1994-95 was Rs. 14,688.80 crores which was primarily on account of non-fulfilment of export obligation on Advance Licences Issued during the said period. On an examination of these figures, it was however, found that the above figures did not reflect the correct position for the period 1990-91 to 1994-95 as these figures only indicate the maximum cif value of imports which could have taken place under the scheme and did not take into account actual imports made during the above said period.

These figures have since been revised and submitted to the C&AG. The detailed position for the period 1990-91 to 1994-95 regarding the total number of licences issued, fob value of export obligation imposed on the licence, cif value of imports as well as the total export obligation fulfilled by way of redemption/ submission of evidence of fulfilment of 100% export obligation, are set out in this statement *(See* below). In all cases where export obligation has not been fulfilled action as per the Exim Policy has been initiated to recover the Customs Duty alongwith interest and penalty. In cases where there is a suspicion of fraud or misrepresentation, enforcement action under Foreign Trade (Development & Regulation) Act has been instituted. The Customs Authorities have also initiated adjudication proceedings in all such cases under the Customs Act, 1962 and other related legal enforcement provisions.

Statement

Misuse of Advance Licences

(A) LICENCES ISSUED

(Rs. in Crores)

Sl. No.	Year	In Numbers	CIF Value	FOB Value
1.	1990-91	8106	2682.37	5981.77
2.	1991-92	13551	4322.85	11871.75
3.	1992-93	21949	7031.26	20019.21
4.	1993-94	33658	8710.86	21798.17
5.	1994-95	45983	13196.76	29608.70
	Total upto 94-95	123247	35944.10	89279.60

(B) LICENCES SURRENDERED/CANCELLED

(Rs. in Crores)

Sl. No.	Year	In Numbers	CIF Value	FOB Value
1.	1990-91	566		348.33
2.	1991-92	1316		1018.67
3.	1992-93	2229		1542.14
4.	1993-94	3087		2005.53
5.	1994-95	2983		1772.87
	Total upto 94-95	10181		6687.54

(C) LICENCES TO BE MONITORED

(Rs. in Crores)

Sl. No.	Year	In Numbers	CIF Value	FOB Value
1.	1990-91	7540		5633.44
2.	1991-92	12235		10853.88
3.	1992-93	19720		18477.07
4.	1993-94	30571		19792.64
5.	1994-95	43000		27835.83
	Total upto 94-95	113066		82592.86

(D) E.O. FULFILLED BY WAY OF REDEMPTION/CLOSURE

(Rs. in Crores)

Sl. No.	Year	In Numbers	CIF Value	FOB Value
1.	1990-91	6540		4369.64
2.	1991-92	9166		7263.25
3.	1992-93	12957		14115.58
4.	1993-94	19117		13486.80
5.	1994-95	18284		10332.24
	Total upto 94-95	66064		49567.51

(E) E.O. FULFILLED AS PER DOCUMENTS SUBMITTED

(Rs. in Crores)

Sl. No.	Year	In Numbers	CIF Value	FOB Value
1.	1990-91	589		312.55
2.	1991-92	1670		2170.11
3.	1992-93	4443		3038.80
4.	1993-94	5048		2852.27
5.	1994-95	7045		8336.12
	Total upto 94-95	18715		16709.85

(F) E.O. FULFILLED BY WAY OF REDEMPTION/100% DOCUMENTS SUBMITTED

Sl. No.	Year	In Numbers	FOB Value (Rs. in crores)	Numbers (%)	Value (%)
1.	1990-91	7049	4782.19	93.48	83.11
2.	1991-92	10836	9433.36	88.56	86.91
3.	1992-93	17400	17154.38	88.23	92.84
4.	1993-94	24165	16339.07	79.04	82.55
5.	1994-95	25329	18668.36	58.90	67.06
	Total upto 94-95	84779	66277.36		

(G) LICENCES TO BE ACTIVELY MONITORED

Sl. No.	Year	In Numbers	FOB Value (Rs. in crores)	Numbers (%)	Value (%)
1.	1990-91	491	951.25	6.51	16.88
2.	1991-92	1399	1420.52	11.43	13.08
3.	1992-93	2321	1322.69	11.76	7.15
4.	1993-94	6406	3453.57	20.95	17.44
5.	1994-95	17671	9167.47	41.09	32.93
	Total upto 94-95	28288	16315.50		

Information under D, E & F are as on December, 1996.